

**UNITED STATES DEPARTMENT OF AGRICULTURE**

Farm Service Agency  
Washington, DC 20250

**Notice PF-109**

**For:** State and County Offices

**Submitting Requests for Authorization Codes for PFC Payments**

**Approved by:** Deputy Administrator, Farm Programs



**1 Overview**

**A**

**Background**

Notice PF-82, issued on April 13, 1998, advised State and County Offices that the authorized payment software had been modified to accommodate the processing of authorization codes issued by DAFP.

Notice PF-104, issued on December 10, 1998, advised State and County Offices:

- of the documentation requirements for requesting authorization codes to:
  - issue 1996, 1997, or 1998 PFC payments
  - record erroneously canceled payables back into the system
- that cases will be returned to the State Office without authorization codes if the required documentation according to paragraphs 2 and 3 of the notice is not submitted.

**B**

**Purpose**

This notice:

- reissues policy for requesting authorization codes to:
  - issue 1996, 1997, or 1998 PFC payments
  - record erroneously canceled payables back into the system
- clarifies the documentation required for each type of request
- reissues the procedure for accessing the authorized software to issue 1996, 1997, and 1998 authorized payments.

**Disposal Date**

January 1, 2000

**Distribution**

State Offices; State Offices relay to County Offices

## Notice PF-109

### 2 Misaction/Misinformation Cases and Requests for Relief

---

#### A

##### Misaction/ Misinformation

Misaction/misinformation cases are those in which the producer failed to meet program requirements because of County Office error or neglect. However, this does **not** include County Office failure to issue PFC payments because:

- subsidiary flags were not updated timely for multicounty producers
  - payment limitation amounts were not allocated timely
  - farm folders were misplaced
  - the computer was not properly updated for any other reason.
- 

#### B

##### Requests for Relief

Requests for relief are cases where the producer failed to meet program requirements, but the circumstances of the case are such that relief may be warranted.

---

#### C

##### County Office and COC Action

For misaction/misinformation cases and requests for relief, County Offices shall obtain COC concurrence before forwarding the case file to the State Office. If COC concurs that the payment should be issued, the County Office shall initiate a request for relief by submitting the case file and **all** supporting documentation to the State Office.

Depending on the situation, the case file shall, at a minimum, contain the following documentation:

- a cover letter thoroughly explaining why the payment was not processed timely

**Note:** This shall include an explanation of the effort made by both the State and County Office to ensure that payments could be issued timely.

- recommendation by COC to issue the payment
  - completed CCC-479's according to 2-PF, subparagraph 195 C
  - copies of all CCC-478's for the farm
- 

Continued on the next page

## 2 Misaction/Misinformation Cases and Requests for Relief (Continued)

---

### C

#### County Office and COC Action (Continued)

- current CCC-478P for all producers and members of a joint operation affected by the request

**Note:** See 2-PF, subparagraph 302 C.

- current PPH print, according to 2-PF, paragraph 311, for:
  - the farm
  - each producer on the farm affected by the request
  - each member of a joint operation, if applicable
  - each producer involved in the “person” combination, if applicable
- subsidiary diagnostic print from the County Offices requesting the authorization code for:
  - each producer affected by the request
  - each member of a joint operation, if applicable

**Note:** Authorization codes will not be issued unless the MABDIG submitted verifies that the producer is eligible for payment.

- all additional supporting documentation required to support issuing the payment including, but not limited to, the following:
    - succession-in-interest report, if applicable
    - CCC-257 reflecting refunded payments, if applicable
    - AD-1068 or AD-1069, as applicable
    - FAV acre-for-acre payment reduction report
    - COC minutes
    - FSA-321 showing who is responsible for the misaction or misinformation.
- 

### D

#### STC Action

STC shall determine whether relief is warranted by reviewing the case file submitted by COC and ensuring that all necessary documentation has been provided. After reviewing the request, if STC concurs with the COC recommendation, STC shall:

- prepare a letter of recommendation that the payment should be issued
  - sign FSA-321, if applicable
  - forward the **entire** case file, with STC recommendation, to DAFP for review.
-

## Notice PF-109

### 3 Cases Other Than Misaction/Misinformation or Requests for Relief

#### A

#### County Office Action

For cases other than misaction/misinformation or requests for relief, the case file for requests for authorization codes shall be forwarded to the State Office for concurrence before being submitted to DAFP. Depending on the situation, the case file shall, at a minimum, contain the documentation in the following table for:

- payments that still need to be issued because of bankruptcy, appeals, or disputed shares
- cases where the computer was not updated timely so that the payment could be processed through the regular or special payment process
- erroneously canceled payables that must be re-entered in the system.

Case Situation	Case File Documentation Requirements
<p>Payments that still need to be issued because of:</p> <ul style="list-style-type: none"> <li>• bankruptcy</li> <li>• appeals</li> <li>• disputed shares</li> <li>• situations where the computer was not updated properly so the payment could be issued timely</li> </ul>	<ul style="list-style-type: none"> <li>• Cover letter thoroughly explaining why the payment was not processed timely. To expedite the review process, the State Office shall include a general description in the letter of recommendation that identifies the reason the payment was not processed, such as: <ul style="list-style-type: none"> <li>• payment limitation allocation</li> <li>• subsidiary file upload or download</li> <li>• disputed shares, bankruptcy, or appeal.</li> </ul> </li> <li>• For situations where the computer was not updated properly, the file shall include an explanation of the action that was taken by both the State and County Office to issue the payment timely, including, but not limited to: <ul style="list-style-type: none"> <li>• specific efforts to resolve subsidiary file update problems including when the prepayment register was printed</li> <li>• when requests for additional payment limitation allocation were submitted to control County Offices and follow up action taken</li> <li>• when CCC-478 status reports were generated and follow up action taken to approve CCC-478's in the system.</li> </ul> </li> <li>• <b>Completed</b> CCC-479's according to 2-PF, subparagraph 195 C.</li> <li>• Current CCC-478P for all producers and members of a joint operation affected by the request. See 2-PF, subparagraph 302 C.</li> </ul>

Continued on the next page

## Notice PF-109

### 3 Cases Other Than Misaction/Misinformation or Requests for Relief (Continued)

**A**  
**County Office**  
**Action**  
**(Continued)**

Case Situation	Case File Documentation Requirements
Payments that still need to be issued (Continued)	<ul style="list-style-type: none"> <li>• Copies of <b>all</b> CCC-478's for the farm. This includes, but is not limited to: <ul style="list-style-type: none"> <li>• the initial CCC-478 signed when the farm was enrolled</li> <li>• CCC-478 signed with all shares undesignated for disputed share cases</li> <li>• updated CCC-478 showing how the shares are distributed for the applicable FY.</li> </ul> </li> <li>• Current PPH print, according to 2-PF, paragraph 311, for: <ul style="list-style-type: none"> <li>• the farm</li> <li>• each producer on the farm affected by the request</li> <li>• each member of a joint operation, if applicable</li> <li>• each producer involved in the "person" combination, if the producer is combined with other producers.</li> </ul> </li> <li>• Subsidiary diagnostic print from the County Office requesting the authorization code or codes for all producers and members of a joint operation affected by the request.</li> <li>• Authorization codes will not be issued unless the MABDIG indicates that: <ul style="list-style-type: none"> <li>• producer is eligible for payment</li> <li>• download has been received from other counties for multi-county producers.</li> </ul> <p><b>Note:</b> A MABDIG from the control county indicating the payment limitation allocation has been increased or a screen print showing the increased allocation does not satisfy this requirement.</p> </li> <li>• Any additional supporting documentation required to support issuing the payment including, but not limited to, the following: <ul style="list-style-type: none"> <li>• succession-in-interest transaction reports</li> <li>• CCC-257 reflecting refunded payments, if applicable</li> <li>• AD-1068 or AD-1069, as applicable</li> <li>• FAV acre-for-acre payment reduction report</li> <li>• COC minutes</li> <li>• bankruptcy court determinations</li> <li>• NAD review determinations.</li> </ul> </li> </ul>

Continued on the next page

Notice PF-109

3 Cases Other Than Misaction/Misinformation or Requests for Relief (Continued)

---

A  
County Office  
Action  
(Continued)

Case Situation	Case File Documentation Requirements
Erroneously canceled payables that must be re-entered in the system.	<ul style="list-style-type: none"><li>• Cover letter thoroughly explaining <b>step-by-step</b> how the payable was canceled and what action has taken place to correct the situation.</li><li>• Completed CCC-479's according to 2-PF, subparagraph 195 C.</li><li>• Receivable establishment report, if applicable.</li><li>• Current CCC-478P for all producers and members of a joint operation affected by the request. See 2-PF, subparagraph 302 C.</li><li>• Current PPH print, according to 2-PF, paragraph 311, for:<ul style="list-style-type: none"><li>• the farm</li><li>• each producer on the farm affected by the request</li><li>• each member of a joint operation, if applicable.</li></ul></li><li>• Accounting summary report. See 1-FI, subparagraph 275 A.</li></ul>

---

## Notice PF-109

### 4 DAFP Reviews

---

#### A

##### DAFP Action

DAFP will:

- review each request on an individual basis
- consult with OGC, as applicable.

This table identifies the action that DAFP will take to approve or deny requests for authorization codes.

IF all required documentation is...	AND the request is...	THEN DAFP will...
submitted according to this notice	approved	<ul style="list-style-type: none"><li>• respond by memorandum that the request is being approved</li><li>• for misaction/misinformation cases, approve FSA-321</li><li>• issue an authorization code on CCC-479 so the payment can be processed.</li></ul>
	denied	<ul style="list-style-type: none"><li>• respond by memorandum that the request is being denied</li><li>• for misaction/misinformation cases, disapprove FSA-321</li><li>• return the case file to the State Office without providing authorization codes.</li></ul>
not submitted according to this notice		<b>advise the State Office that the request is denied specifying that the requirements of this notice have not been met.</b>

#### B

##### Review Priority

Cases submitted will be reviewed according to the following priority:

- payments that need to be issued
  - cases where payments have been erroneously canceled and need to be re-entered in the system.
-

## Notice PF-109

### 5 Accessing the Authorization Software

#### A

#### Issuing Authorized Payments

Once authorization codes are received from DAFP, County Offices shall access the authorized payment process according to this table.

Menu/ Screen	Action	
FAX250	ENTER "3" or "4", "Application Processing".	
FAX09002	Menu FAX09002 will be displayed if option 4 was selected on Menu FAX250. Select the appropriate county, Menu FAX07001 will be displayed.	
FAX07001	ENTER "11", "PFC/Compliance".	
M00000	ENTER "4", "Production Flexibility Program".	
MGYEAR	Select 1996, 1997, or 1998.  <b>Note:</b> Authorized payment software has not been released for FY 1999.	
MGC000	ENTER "3", "Authorized Payment Update Processing".	
MGCLK3	Enter either of the following: <ul style="list-style-type: none"> <li>"1", "Issue Additional Payments"</li> <li>"2", "Record Erroneously Canceled Payables".</li> </ul>	
MGCLK4	<b>IF the user selects...</b>	<b>THEN...</b>
	"1", "Authorization Code Issued by State Office"	<ul style="list-style-type: none"> <li>an error message will be displayed indicating that authorization codes must be issued by Washington</li> <li>Menu MGCLK4 will be redisplayed when the user presses "Enter".</li> </ul> <b>Reminder:</b> All authorization codes are currently issued by DAFP.
	"2", "Authorization Code Issued by Washington"	<ul style="list-style-type: none"> <li>Screen MGCLPRT2 will be displayed</li> <li>County Offices shall record payment data on Screens MGCLAE01 and MGCLAE02 according to 2-PF, Part 7.</li> </ul> <b>Note:</b> The calculation to generate the authorization code entered on Screen MGCLAE02 has been changed so that the code entered will only be valid if it was issued by DAFP.